

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ROBERT W. ALVORD*
CHARLES T. KAPPLER
JOHN H. DOYLE*
JAMES C. MARTIN, JR.*

*ALSO ADMITTED IN NEW YORK
*ALSO ADMITTED IN MARYLAND

LAW OFFICES
ALVORD AND ALVORD

200 WORLD CENTER BUILDING

918 SIXTEENTH STREET, N.W.

WASHINGTON, D.C.

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17583

RECORDATION NO. _____ FILED 1425

OF COUNSEL
URBAN A. LESTER

TELEX
440367 A AND A

TELEFAX
(202) 393-2156

November 5, 1991

NOV 5 1991 -12 50 PM

INTERSTATE COMMERCE COMMISSION

RECEIVED
FEDERAL RECORDING UNIT
NOV 12 12 43 PM '91

New Number

Mr. Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Dear Mr. Strickland:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are three (3) fully executed and acknowledged copies of a Master Equipment Lease Agreement dated as of October 30, 1991, a primary document as defined in the Commission's Rules for the Recordation of Documents under 49 C.F.R. Section 1177.

The names and addresses of the parties to the enclosed document are:

Lessor: Pitney Bowes Credit Corporation
201 Merritt Seven
Norwalk, Connecticut 06856-5151

Lessee: Union Camp Corporation
1600 Valley Road
Wayne, New Jersey 07470

A description of the railroad equipment covered by the enclosed document is set forth in Schedule A attached hereto and made a part hereof.

Also enclosed is a check in the amount of \$16 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return two (2) stamped copies of the enclosed document to Charles T. Kappler, Esq., Alvord and Alvord, 918 Sixteenth Street, N.W., Washington, D.C. 20006.

Charles T. Kappler

Mr. Sidney L. Strickland, Jr.
November 5, 1991
Page Two

A short summary of the enclosed primary document to appear in the Commission's Index is:

Master Equipment Lease Agreement dated as of October 30, 1991 between Pitney Bowes Credit Corporation, Lessor, and Union Camp Corporation, Lessee, covering 100 new 100-ton, tree length log railway freight cars bearing UCSX reporting marks and road numbers 2001 through 2100, both inclusive.

Very truly yours,


Charles T. Kappler

CTK/bg
Enclosures

SCHEDULE A
Equipment List

This schedule is attached to and made a part of Lease Schedule 801 dated as of October 30, 1991 to Master Equipment Lease Agreement No. 0056432 dated as of October 30, 1991 between Pitney Bowes Credit Corporation as Lessor and the undersigned Lessee.

Quantity	Equipment Description			
One Hundred (100)	New 100-ton, tree length log railway freight cars manufactured by Bethlehem Steel Corporation. Registration Numbers as follows:			
UCSX2015	UCSX2019	UCSX2001	UCSX2006	
UCSX2029	UCSX2030	UCSX2004	UCSX2013	
UCSX2094	UCSX2095	UCSX2008	UCSX2003	
UCSX2098	UCSX2025	UCSX2016	UCSX2007	
UCSX2097	UCSX2092	UCSX2002	UCSX2014	
UCSX2020	UCSX2028	UCSX2009	UCSX2052	
UCSX2024	UCSX2038	UCSX2051	UCSX2057	
UCSX2034	UCSX2023	UCSX2056	UCSX2036	
UCSX2041	UCSX2033	UCSX2061	UCSX2055	
UCSX2022	UCSX2039	UCSX2032	UCSX2058	
UCSX2059	UCSX2064	UCSX2068	UCSX2074	
UCSX2063	UCSX2067	UCSX2073	UCSX2077	
UCSX2066	UCSX2062	UCSX2076	UCSX2071	
UCSX2072	UCSX2065	UCSX2082	UCSX2075	
UCSX2060	UCSX2069	UCSX2070	UCSX2078	
UCSX2031	UCSX2081	UCSX2010	UCSX2088	
UCSX2080	UCSX2085	UCSX2035	UCSX2091	
UCSX2084	UCSX2079	UCSX2090	UCSX2018	
UCSX2087	UCSX2083	UCSX2096	UCSX2089	
UCSX2037	UCSX2086	UCSX2017	UCSX2093	

Schedule A
Equipment List

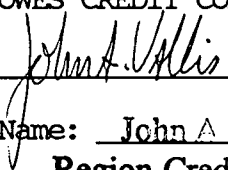
UCSX2005	UCSX2026	UCSX2040	UCSX2045
UCSX2021	UCSX2100	UCSX2044	UCSX2048
UCSX2099	UCSX2012	UCSX2047	UCSX2053
UCSX2011	UCSX2027	UCSX2050	UCSX2043
		UCSX2042	UCSX2046
		UCSX2054	UCSX2049

Including all attachments and accessories

This schedule is hereby verified correct and undersigned acknowledges receipt of a copy.

LESSOR:

PITNEY BOWES CREDIT CORPORATION

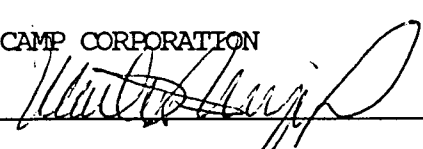
By: 

Printed Name: John A. Telling

Title: Region Credit Manager

LESSEE:

UNION CAMP CORPORATION

By: 

Printed Name: Martin C. Griegal

Title: Assistant Treasurer

MSTRSCHA

1/90

Interstate Commerce Commission
Washington, D.C. 20423

11/5/91

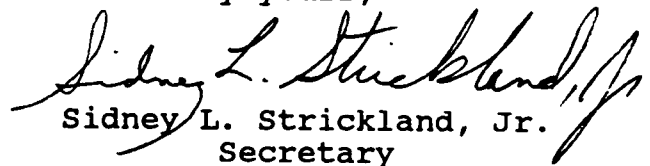
OFFICE OF THE SECRETARY

Charles T, Kappler
Alvord & Alvord
918 16th St. N.W.
Washington, D.C. 20006

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 11/5/91 at 12:50pm, and assigned recordation number(s). 17583

Sincerely yours,


Sidney L. Strickland, Jr.
Secretary

17583

RECORDED

NOV 5 1991 -12 52 PM

INTERSTATE COMMERCE COMMISSION

MASTER EQUIPMENT LEASE AGREEMENT

Dated as of October 30, 1991

Between Pitney Bowes Credit Corporation

LESSOR

and

Union Camp Corporation

LESSEE

Filed and Recorded with
the Interstate Commerce
on 11/15/91, at
12:50 PM and given
Recordation No. 17583

MASTER EQUIPMENT LEASE AGREEMENT

Lease Agreement made this 30th day of October, 1991, between PITNEY BOWES CREDIT CORPORATION ("Lessor") with a place of business located at 201 Merritt Seven, Norwalk, Connecticut 06856-5151 and UNION CAMP CORPORATION ("Lessee") having its principal place of business located at 1600 Valley Road, Wayne, New Jersey 07470.

1. **LEASE AGREEMENT:** Lessor hereby leases to Lessee and Lessee hereby rents from Lessor all the machinery, equipment and other personal property ("Equipment") described in Equipment Lease Schedule(s) which are or may from time to time be executed by Lessor and Lessee and attached hereto or incorporated herein by reference ("Schedules"), upon the terms and conditions set forth in this Lease, as supplemented by the terms and conditions set forth in the appropriate Schedule identifying such items of Equipment. All of the terms and conditions of this Lease shall govern the rights and obligations of Lessor and Lessee except as specifically modified in writing. Whenever reference is made herein to "this Lease" it shall be deemed to include each of the various Schedules identifying all items of Equipment, all of which constitute one undivided lease of the Equipment, and the terms and conditions of which are incorporated herein by reference. Lessor represents to Lessee that it has the authority to enter into this Lease.

2. **CONDITIONS PRECEDENT:** (a) The obligation of Lessor to lease any of the Equipment to Lessee hereunder shall be subject, on or as of the acceptance date for such Equipment, to (i) Lessee's acceptance of such Equipment, as evidenced by Lessor's receipt of an acceptance certificate in form and substance acceptable to Lessor with respect thereto; (ii) Lessee's execution and delivery, at Lessee's expense, of such documents as Lessor may reasonably deem to be necessary or desirable (each in form and substance satisfactory to Lessor), including, without limitation, an opinion of Lessee's counsel, a certificate(s) of officers of Lessee, Uniform Commercial Code financing statements and other filings and publications as may be appropriate with respect to Lessor's interest in the Equipment including filings with the United States Interstate Commerce Commission; (iii) there not having occurred, in Lessor's sole judgment, since 3/31/91, any material adverse change in the financial condition of Lessee or in Lessee's ability to perform its obligations hereunder; (iv) there having occurred no change in applicable law that would have a material adverse impact on the transactions contemplated by this Lease (unless Lessor and Lessee shall have agreed upon appropriate adjustments and indemnities to compensate for such change); and (v) Lessee's representations and warranties contained in this Lease being true and accurate as if made on and as of such date, and Lessee's having performed and complied with all of its covenants and obligations hereunder and under any purchase agreement. Lessee's execution of any Schedule shall constitute its representation and warranty that there has been no material adverse change in its business or financial condition since the date referenced above in this Section 2.

3. **TERM:** The obligations under this Lease shall commence upon the written acceptance thereof by Lessor and shall end upon full performance and observance of each and every term, condition and covenant set forth in this Lease, each Schedule hereto and any extensions thereof. The rental term of the Equipment listed in each Schedule shall commence on the date that the first Rental Payment is due and shall terminate on the last day of the term stated in such Schedule unless such Schedule has been extended or otherwise modified in writing and signed by the Lessor and Lessee. Lessor, at its option, may terminate any Schedule as to which the Equipment listed therein has not been

terminate any Schedule as to which the Equipment listed therein has not been delivered to Lessee prior to the outside commitment date specified in such Schedule.

4. **RENTAL PAYMENTS:** The rent for the Equipment described in each Schedule shall be due and payable on the dates set forth therein. Such rent shall be payable at the office of Lessor, 201 Merritt Seven, Norwalk, Connecticut 06856-5151 or at such office as Lessor may otherwise designate. The receipt of any check or other item on account of any Rental Payment will not be considered as payment thereof until such check or other item is honored when presented for payment.

5. **DELIVERY AND INSTALLATION:** Lessee will select the type, quantity and supplier of each item of Equipment designated in the appropriate Schedule and in reliance thereon such Equipment will then be ordered by Lessor from such supplier or Lessor will accept an assignment of any existing purchase order therefor satisfactory in form and substance to Lessor. Lessor shall have no liability for any delivery or failure by the supplier to fill the purchase order or meet the conditions thereof. Lessee, at its expense, will pay all transportation, packing, taxes, duties, insurance, installation, testing and other charges in connection with the delivery, installation and use of the Equipment.

6. **WARRANTIES:** LESSOR, NOT BEING THE MANUFACTURER OF THE EQUIPMENT NOR THE MANUFACTURER'S AGENT, MAKES NO EXPRESS OR IMPLIED WARRANTY OF ANY KIND WHATSOEVER WITH RESPECT TO THE EQUIPMENT, INCLUDING, BUT NOT LIMITED TO: THE MERCHANTABILITY OF THE EQUIPMENT OR ITS FITNESS FOR ANY PARTICULAR PURPOSE; THE DESIGN OR CONDITION OF THE EQUIPMENT; THE QUALITY OR CAPACITY OF THE EQUIPMENT; THE WORKMANSHIP IN THE EQUIPMENT; COMPLIANCE OF THE EQUIPMENT WITH THE REQUIREMENTS OF ANY LAW, RULE, SPECIFICATION OR CONTRACT PERTAINING THERETO; PATENT INFRINGEMENT; OR LATENT DEFECTS. Lessee accordingly agrees not to assert any claim whatsoever against Lessor based thereon. Lessee further agrees, regardless of cause, not to assert any claim whatsoever against Lessor for loss of anticipatory profits or consequential damages. Lessor shall have no obligation to install, erect, test, adjust, service, or maintain the Equipment. Lessee shall look to the manufacturer and/or seller for any claims related to the Equipment.

Lessor hereby acknowledges that any manufacturer's and/or seller's warranties are for the benefit of both Lessor and Lessee. NOTWITHSTANDING THE FOREGOING, LESSEE'S OBLIGATIONS TO PAY THE RENTALS OR OTHERWISE UNDER THIS LEASE SHALL BE AND ARE ABSOLUTE AND UNCONDITIONAL.

To the extent permitted by the manufacturer or seller, and provided Lessee is not in default under this Lease, Lessor shall make available to Lessee all manufacturer's and/or seller's warranties with respect to Equipment.

7. **TITLE TO AND LOCATION OF EQUIPMENT:** Title to each item of Equipment leased hereunder shall remain with the Lessor at all times and the Lessee shall have no right, title or interest therein except as expressly set forth in this Lease. Lessee, at its expense, will protect and defend Lessor's title to the Equipment and will keep the Equipment free and clear from any and all claims, liens, encumbrances and legal processes except for those created by, through, or under Lessor. Lessor assumes no liability and makes no representation as to the treatment by Lessee of this Lease, the Equipment or the Rental Payments for financial statement or tax purposes.

All items of Equipment shall at all times be and remain personal property notwithstanding that any such Equipment may now or hereafter be affixed to realty. The Equipment shall be delivered to the location specified in the Schedule with respect thereto.

The Lessor shall be permitted to display notice of its ownership of the Equipment by affixing to each item of Equipment an identifying stencil or plate or any other indicia of ownership and Lessee will not alter, deface, cover or remove such ownership identification.

8. USE OF EQUIPMENT, INSPECTION AND REPORTS: Lessee may possess and use the Equipment in accordance with this Lease, provided that any such use is in conformity with all applicable laws, any insurance policies, and any warranties of the manufacturer with respect to the Equipment, and further provided that Lessee shall not use or permit the Equipment to be used to contain or transport any hazardous, toxic, dangerous or environmentally threatening waste, material or matter. Lessor shall have the right, upon reasonable prior notice to the Lessee and during the Lessee's regular business hours, to inspect the Equipment at the premises of the Lessee or to the extent reasonable wherever the Equipment may be located. Lessee shall promptly notify Lessor of all details arising out of any alleged encumbrances on the Equipment or any accident which may result in a claim against the Lessor allegedly resulting from the use or operation thereof. The Lessee will make available (or will cause to be made available) to the Lessor such information as the Lessor shall request from time to time in order to enable the Lessor to fulfill its Federal, state, local and foreign tax return obligations and shall furnish for inspection and copying such original records or copies of available records necessary to satisfy tax audit requirements and to conduct effectively any tax contest.

9. OPERATING RULES AND REGULATIONS: Lessee agrees to comply with all local, state and Federal governmental laws, regulations and requirements relating to the operation and/or use of the Equipment, including the Interchange Rules and all other rules of the Association of American Railroads (or any successor thereto) and the Interstate Commerce Commission. In case any equipment or appliance on any Equipment shall be required to be changed or replaced, or any additional or other equipment or appliance is required to be installed on such Equipment in order to comply with such laws, regulations, requirements and rules, Lessee agrees to make such changes, additions and replacements at its own expense and title thereto shall be immediately vested in Lessor.

10. FURTHER ASSURANCES: Lessee shall execute and deliver to Lessor upon Lessor's request such instruments and assurances as Lessor in the reasonable exercise of its discretion deems necessary for the confirmation or perfection of this Lease and Lessor's rights hereunder. In furtherance thereof, Lessor may file or record this Lease or a financing statement with respect thereto so as to give notice to any interested parties. The Lessor is authorized to file a financing statement concerning the Equipment signed only by the Lessor in accordance with the Uniform Commercial Code or one signed by Lessor as Lessee's attorney in fact. Any such filing or recording shall not be deemed evidence of any intent to create a security interest under the Uniform Commercial Code. Lessor, at Lessee's expense, will cause this Lease to be filed in accordance with 49 U.S.C. Section 11303(a) with the Interstate Commerce Commission.

11. **RISKS OF LOSS:** All risk of loss, damage, theft or destruction to each item of Equipment shall be borne by the Lessee. No such loss, damage, theft or destruction of the Equipment, in whole or in part, shall impair the obligations of Lessee under this Lease all of which shall continue in full force and effect and Lessee, at Lessor's option, shall either (a) place the affected Equipment in good repair, condition and working order or (b) pay the Lessor the amount covering such affected Equipment set forth in Addendum "A" - Stipulated Loss Values plus all other amounts then due and payable, less the net amount of the recovery, if any, actually received by Lessor from insurance or otherwise for such loss, damage, theft or destruction. After compliance with the foregoing to Lessor's satisfaction and provided Lessee is not in default under this Lease, Lessee shall be subrogated to Lessor's rights with respect to any insurance policies or claims for reimbursement by others with respect to such loss, damage, theft or destruction.

12. **INSURANCE:**

a. General Liability and Property Damage Insurance. Lessee represents and warrants that it will maintain in effect at its own expense (i) comprehensive general liability insurance, including death, bodily injury and property damage, in an amount not less than \$10,000,000.00 combined single limit coverage in the aggregate and (ii) such other property damage insurance (exclusive of manufacturer's product liability insurance) with respect to the Equipment as is of the type and in the amount as specified in each Schedule. All insurance provided for in this Section shall be effected with insurance companies satisfactory to Lessor and similar to those insurers who customarily provide public liability insurance to Lessee's industry.

b. Insurance Against Loss or Damage to Equipment. Lessee represents and warrants that it will provide all-risk insurance covering the Equipment including fire and explosion, and lightning and electrical damage, provided that such insurance shall at all times while the Equipment is subject to this Lease be in an amount which, when paid, will be not less than the Stipulated Loss Value of the Equipment from time to time.

c. Lessor as Additional Insured; Notice. Any policies of insurance carried in accordance with this Section and any policies taken out in substitution or replacement for any such policies shall name Lessor, as owner of the Equipment, as additional named insured thereunder, and, with respect to insurance carried in accordance with paragraph (b), said policies shall be made payable to Lessor as loss payee. Lessee shall furnish certificates to Lessor as proof of such insurance and shall provide for at least thirty (30) days written notice of cancellation to Lessor.

13. **EXPENSES, FEES AND TAXES:** In addition to the Rental Payments, Lessee shall pay promptly when due, all costs, expenses, fees, charges and taxes (including sales, use, excise, personal property, ad valorem, documentary stamp and other taxes) incurred in connection with the titling, licensing, registration, use, rental, shipment, transportation, delivery, purchase, ownership or operation of the Equipment, and on or relating to this Lease and any Schedule. In case any report or return is required to be filed with respect to any taxes, Lessee will, to the extent legally permissible, file such report or return or notify Lessor in writing to the extent Lessor must file such report or return in sufficient time for Lessor to make such filing of the required

report or return. All reports and returns filed by Lessee will be in Lessee's name and account number and will show Lessor as owner of the Equipment. To the extent reasonably requested by Lessor, Lessee will within a reasonable time, supply Lessor a copy of such reports or returns. Lessee shall reimburse Lessor for any taxes charged to or assessed against Lessor, except for state or federal net income taxes or franchise taxes, after Lessee is given reasonable notice of and time to review such change or assessment.

If Lessee should fail to pay any of the costs, expenses, fees, charges and taxes for which Lessee is liable hereunder, Lessor may, but shall not be required to, pay the same for the account of Lessee. Lessee shall reimburse Lessor, as additional rental hereunder, for the full amount of any costs, expenses, taxes or other charges paid by Lessor which constitute an obligation of Lessee hereunder.

Notwithstanding the above, Lessee shall not be required to pay any income tax levied upon or against the profits of the Lessor from any sources. In addition, Lessee shall in all instances have the right to contest any imposition of taxes, assessments, charges or costs incurred, by conducting proceedings in which event, the Lessee shall postpone any payment of such imposition or cash to any party during such contest, providing such contest and postponement does not jeopardize Lessor's rights title or interest in and to the Equipment.

14. LESSOR'S PERFORMANCE OF LESSEE'S OBLIGATIONS: If Lessee shall fail to duly and promptly perform any of its obligations under this Lease with respect to the Equipment, Lessor may (at its option) perform any act or make any payment which Lessor deems necessary for the maintenance and preservation of the Equipment and Lessor's title thereto, including payments for satisfaction of liens, repairs, taxes, levies and insurance and all sums so paid or incurred by Lessor, together with interest as provided below, and any reasonable legal fees incurred by Lessor in connection therewith shall be additional rent under this Lease and payable by Lessee to Lessor on demand. The performance of any act or payment by Lessor as aforesaid shall not be deemed a waiver or release of any obligation or default on the part of the Lessee.

15. LATE CHARGES: Should Lessee fail to duly pay any part of any Rental Payment or other sum to be paid to Lessor under this Lease, then Lessee shall pay interest on such delinquent payment from the due date until paid at a per annum rate of 2% plus the Chase Manhattan Bank, N.A. Prime Rate, said interest rate not to exceed the highest legal contract rate of interest.

16. INDEMNIFICATION: Lessee assumes liability for, and hereby agrees to indemnify, protect and keep harmless Lessor, its agents, employees, officers, directors, successors and assigns from and against any and all liabilities, obligations, losses, damages, injuries, claims, demands, penalties, actions, costs and expenses, including reasonable attorney's fees, of whatsoever kind and nature, arising out of the use, condition (including, but not limited to, latent and other defects and whether or not discoverable by Lessee or Lessor), operation, ownership, selection, delivery, leasing or return of any item of Equipment, regardless of where, how and by whom operated, or any failure on the part of Lessee to perform or comply with any conditions of this Lease. The indemnities and assumptions of liabilities and obligations herein provided for shall continue in full force and effect notwithstanding the expiration or other termination of this Lease. Lessee is an independent contractor and nothing

contained in this Lease shall authorize Lessee or any other person to operate any item of Equipment so as to incur or impose any liability or obligation for or on behalf of Lessor.

17. **NO OFFSET:** This Lease is a net lease and all Rental Payments shall be paid when due by Lessee irrespective of any set-off, counterclaim, recoupment, defense or other right which Lessee may have against Lessor, the supplier of the Equipment, or any other party.

18. **PURCHASE OPTION:** Lessee shall have no option to purchase or otherwise acquire title or ownership of all Equipment on any Schedule unless (a) a purchase option is referred to in the Schedule relating to the Equipment and (b) Lessee is not in default under this Lease, and (c) any such purchase option is exercised by Lessee's written notice to Lessor, at Lessor's address stated above, not earlier than 270 days nor later than 180 days prior to the end of the original lease term of any such Schedule and (d) the purchase price shall be payable promptly upon the expiration of the original term and (e) Lessee purchases all but not less than all Equipment on the Schedule. Any purchase option price stated as "Fair Market Value" ("FMV") for Equipment shall be determined on the basis of, and shall be equal in amount to, the value which one would obtain in an arm's-length transaction between an informed and willing buyer-user (other than a Lessee currently in possession and a used equipment dealer) and an informed and willing seller under no compulsion to sell and, in such determination, costs of removal of Equipment from its location of current use shall not be a deduction from such value. In the event Lessee purchases the Equipment, Lessee shall be responsible for all applicable sales tax.

In the event the FMV is not agreed upon by Lessee and Lessor, it shall be determined by the average of three (3) independent appraisals by parties which shall include two parties, one selected by Lessee and one selected by Lessor and a third mutually selected by Lessee and Lessor. The fees and expenses of all such appraisers shall be paid by Lessee. In the event that Lessee chooses not to purchase the Equipment after determination of FMV, Lessee shall provide Lessor with at least 180 days written notice that Lessee has rescinded the election to purchase and the Lease shall continue in full force and effect from the date of such notice at its then prevailing rent.

19. **RENEWAL:** If a renewal rental is set forth in any Schedule, Lessee may, at its option, renew the lease term relating to such Schedule for not less than all Equipment covered by such Schedule by giving Lessor written notice not earlier than 270 days nor less than 180 days before the expiration of the original term or the anniversary date of any prior renewal thereof, and paying to Lessor the amount of the renewal rental, provided that such renewal option is not exercisable if Lessee is in default under this Lease or has notified Lessor of its intent to purchase the Equipment under Paragraph 18 of the Lease. Upon such notification and payment, the lease term covering such Schedule shall be renewed for 2 years at the stated renewal rental, but the other provisions and conditions of this Lease shall continue unchanged. If Lessee fails to return the Equipment at the end of the original lease term or any renewal thereof, and does not exercise its renewal option or purchase option as aforesaid, then the Lease shall automatically be renewed from month to month with rent payable monthly at the monthly rate applicable during the original term. In the event that any renewal option is at "fair market value," and the same is not agreed upon by Lessee and Lessor, it shall be determined by the average of three (3)

independent appraisals by parties which shall include two parties, one selected by Lessee and one selected by Lessor, and a third mutually selected by Lessee and Lessor. The fees and expenses of all such appraisers shall be paid by Lessee.

20. **ASSIGNMENT BY LESSEE:** Without Lessor's prior written consent, Lessee may not, by operation of law or otherwise, (a) assign, transfer, pledge, hypothecate or otherwise dispose of this Lease or any interest therein or (b) sublet or lend the Equipment or permit same to be used by anyone other than Lessee or Lessee's employees, provided, however, that Lessee may trip lease the Equipment to its customers in the normal course of Lessee's business. Irrespective of any permitted sublease or trip lease, Lessee agrees to remain primarily liable to Lessor under all terms and conditions of this Lease.

21. **ASSIGNMENT BY LESSOR:** For the purpose of providing funds for financing the purchase of the Equipment, or for any other purpose, Lessee agrees (a) that Lessor may assign, sell or encumber all or any other part of this Lease, the Equipment and the Rental Payments hereunder and (b) in the event of any such assignment of Rental Payments hereunder and written notice thereof to Lessee, to unconditionally pay directly to any such assignee all rentals and other sums due or to become due under this Lease and (c) that the Equipment leased hereunder may be mortgaged by Lessor under a chattel mortgage. In any such event, the right, title and interest of the mortgagee under any such chattel mortgage shall by the express terms of such chattel mortgage be subject to the leasehold interest of Lessee in and to the Equipment hereunder. THE RIGHTS OF ANY SUCH ASSIGNEE SHALL NOT BE SUBJECT TO ANY DEFENSE, COUNTERCLAIM OR SET OFF WHICH LESSEE MAY HAVE AGAINST THE LESSOR.

22. **MAINTENANCE, REPAIRS AND RETURN OF EQUIPMENT:** Lessee shall, at no expense to Lessor, maintain the Equipment in good repair and operating condition so that the Equipment shall at all times comply with the applicable interchange standards set for such Equipment by the Association of American Railroads ("AAR"), and be and remain in good operating order by industry standards and fit for the purposes for which the Equipment was designed. In any event, the Equipment shall at all times satisfy the tests described below.

a. All damaged or broken parts will be repaired according to AAR specifications;

b. Exterior sides will be free of rust and corrosion, except for minor surface rust, and will be painted according to a standard paint scheme, free of any and all advertising and notices other than receiving numbers and Lessee's corporate identification, all evidence of which shall be removed upon any return of the Equipment to Lessor;

c. The Equipment will conform to United States Department of Transportation regulations or those of any other government agency having jurisdiction over the use and operation of the Equipment;

d. Unless Lessee shall have exercised a purchase option granted hereunder, the Equipment will be returned with undercarriage systems, including any related tracks and rollers of a type, size, and quality standard which are in accordance with original manufacturing specifications, and the Equipment will be in good repair and operating condition;

With respect to Equipment returned hereunder, Lessee shall at Lessee's expense, provide written evidence from a mutually acceptable independent party that the Equipment returned meets the specifications above.

Any deficiencies determined by such inspection shall be repaired at the Lessee's expense.

Upon payment in full of all Rental Payments and all other sums due under this Lease for the Equipment described in any Schedule, unless Lessee shall have duly exercised any renewal or purchase option with respect thereto, Lessee will, at its expense, insure and deliver the items of Equipment to Lessor at any place or places within a radius of 1000 miles of initial Equipment Location, designated by Lessor in writing, for such disposition. In the Event of Default by Lessee under this Lease, Lessee will return all Equipment to Lessor in the same manner. All Equipment so delivered by Lessee to Lessor shall be returned to the designated location in the same condition as when first delivered to Lessee, reasonable wear and tear resulting from authorized use thereof alone excepted, cleansed (interior and exterior) of any silt, sludge or other debris and otherwise in the condition in which it is required to be maintained hereunder.

Should Lessor elect to take possession of the Equipment, Lessee shall deliver possession of such Equipment to Lessor and shall give prompt telegraphic and written notice to the Association of American Railroads and all railroads having possession of any Equipment so to return such Equipment. For the purpose of delivering possession of any Equipment to Lessor as required above, Lessee will, at its own expense and risk: (i) forthwith and in a normal and proper manner cause such Equipment to be transported to the storage tracks of Lessee as Lessor may select, and there assembled; (ii) furnish or arrange for the storage of such Equipment on Lessee's storage tracks until such Equipment has been sold, leased or otherwise disposed of by Lessor, such period not to exceed ninety (90) days; and (iii) cause such Equipment to be transported to such interchange point or points as shall be designated by Lessor upon any sale, lease or other disposition of all or any of such Equipment. All movement to and storage of each piece of Equipment at Lessee's storage track is to be at the risk and expense of Lessee. All movement from Lessee's storage tracks is to be at the risk and expense of Lessor.

23. EVENTS OF DEFAULT: Lessee shall be in default under this Lease upon the happening of any of the following events or conditions ("Events of Default"):

(a) Default by Lessee in payment of any installment of rent or any other indebtedness or obligation now or hereafter owed by Lessee to Lessor under this Lease or otherwise and the continuance of such default for ten (10) consecutive business days; or (b) default in the performance of any other obligation, covenant or liability contained in this Lease or any other agreement or document with Lessor, and the continuance of such default for ten (10) consecutive business days after written notice thereof by Lessor to Lessee; or (c) any material warranty, representation or statement made or furnished to Lessor by or on behalf of Lessee proves to have been false in any material respect when made or furnished; or (d) loss, theft, damage, destruction, or the attempted sale or encumbrance by Lessee of any of the Equipment, or the making of any levy, seizure or attachment thereof or thereon; or (e) dissolution, termination of existence, discontinuance of its business, insolvency, business failure, or

appointment of a receiver of any part of the property of, or assignment for the benefit of creditors by Lessee or the commencement of any proceedings under any voluntary bankruptcy, reorganization or arrangement laws by or against Lessee; or (f) the institution of any involuntary bankruptcy proceedings against Lessee or the appointment of a receiver without Lessee's consent, and such proceedings or appointment continues and is ongoing for a period of sixty (60) days; or (g) Lessee shall default in the performance of any covenant contained in Section 34(a) hereof; or (h) Lessee shall use or permit the Equipment to be used to contain or transport any hazardous, toxic, dangerous or environmentally threatening waste, material or matter.

24. **REMEDIES OF LESSOR:** Upon the occurrence of any Event of Default and at any time thereafter (subject to any applicable grace provisions), Lessor may without any further notice exercise one or more of the following remedies as Lessor in its sole discretion shall elect: (a) declare all unpaid rentals due under this Lease, together with per diem rent from the date of the last regular rental installment to the date of such declaration, to be immediately due and payable; (b) terminate this Lease as to any or all items of Equipment; (c) take possession of the Equipment wherever found without any liability or suit, action or other proceeding by the Lessee and remove the same; (d) cause Lessee at its expense to promptly return the Equipment to Lessor and in the condition set forth in Section 22; (e) use, hold, sell, lease or otherwise dispose of the Equipment or any item thereof without affecting the obligations of Lessee as provided in this Lease; (f) sell or lease the Equipment or any part thereof, at public auction or by private sale or lease at such time or times and upon such terms as Lessor may determine, free and clear of any rights of Lessee and, if notice thereof is required by law, any notice in writing of any such sale or lease by Lessor to Lessee not less than ten (10) days prior to the date thereof shall constitute reasonable notice thereof to Lessee; (g) proceed by appropriate action either by law or in equity to enforce performance by Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof; (h) exercise any and all rights accruing to a Lessor under any applicable law upon a default by a Lessee. In addition, Lessor shall be entitled to recover immediately as liquidated damages for loss of a bargain and not as a penalty an amount equal to the Stipulated Loss Value for Equipment (as set forth in Addendum "A" for the applicable Schedule) on the date of Lessor declaring this Lease in default, together with interest as provided herein. After default at the request of Lessor and to the extent requested by Lessor, Lessee shall comply with the provisions of Section 22 of this Lease. Lessor may, but shall not be required to, sell Equipment at private or public sale, in bulk or in parcels, with or without notice, without having the Equipment present at the place of sale; or Lessor may, but shall not be required to, lease, otherwise dispose of or keep idle all or part of the Equipment; and Lessor may use Lessee's premises for any or all of the foregoing without liability for rent, costs, damages or otherwise. The proceeds of sale, lease or other disposition, if any, shall be applied (1) to all Lessor's costs, charges and expenses incurred in enforcing this Lease and in taking, removing, holding, repairing and selling, leasing or otherwise disposing of Equipment; then, (2) to the extent not previously paid by Lessee, to pay Lessor the Stipulated Loss Value for Equipment and all other sums, including any unpaid rent and any indemnification then remaining unpaid thereon; then (3) to reimburse to Lessee any Stipulated Loss Value previously paid directly by Lessee to Lessor as liquidated damages; (4) any surplus shall be retained by Lessor; Lessee shall pay any deficiency in (1) and (2) forthwith. In no event shall Lessor be obligated to sell, lease or otherwise

dispose of any item of repossessed Equipment. None of the remedies under this Lease are intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to herein or otherwise available to Lessor in law or in equity. Any repossession or subsequent sale or lease by Lessor of any item of Equipment shall not bar an action for a deficiency as herein provided, and the bringing of an action or the entry of judgment against the Lessee shall not bar the Lessor's right to repossess any or all items of Equipment.

25. **SEVERABILITY:** Any provision of this Lease which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition and unenforceable without invalidating the remaining provisions hereof. To the extent permitted by applicable law, Lessee hereby waives any provision of law which prohibits or renders unenforceable any provisions hereof in any respect.

26. **NOTICES:** Any notice or other communication given under this Lease shall be sent to the following addresses or to such other address as either of the parties hereto may designate in writing to the other from time to time:

LESSOR:

Pitney Bowes Credit Corporation
201 Merritt Seven
Norwalk, CT 06856-5151
Attn: Vice President, Operations

LESSEE:

Union Camp Corporation
1600 Valley Road
Wayne, NJ 07470
Attn: Assistant Treasurer

Any such notice or other communication shall, if not actually delivered prior thereto, be deemed to have been delivered three (3) business days after the date when it shall have been mailed by registered or certified mail, all charges prepaid.

27. **AMENDMENTS AND WAIVERS:** This instrument and the Schedules executed by Lessor and Lessee constitute the entire agreement between Lessor and Lessee with respect to the Equipment and the subject matter of this Lease: No term or provision of this Lease may be changed, waived, amended or terminated except by a written agreement signed by both Lessor and Lessee, except that Lessor may insert the serial number of any item of Equipment on the appropriate Schedule after delivery thereof. No express or implied waiver by Lessor of any Event of Default hereunder shall in any way be, or be construed to be, a waiver of any future or subsequent Event of Default whether similar in kind or otherwise.

28. **CONSTRUCTION:** This Lease shall in all respects be governed by and construed in accordance with the laws of the State of New York. The titles of the sections of this Lease are for convenience only and shall not define or limit any of the terms or provisions hereof. Time is of the essence of this Lease in each of its provisions.

29. **PARTIES:** The provisions of this Lease shall be binding upon, and inure to the benefit of, the assigns, representatives and successors of the Lessor and Lessee. If there is more than one Lessee named in this Lease, the liability of each shall be joint and several.

30. **LESSEE'S QUIET ENJOYMENT:** So long as Lessee shall pay and perform all of its obligations and covenants hereunder, Lessor shall not disturb its quiet

enjoyment and use of the Equipment for its intended purposes. By acceptance of any assignment of this Lease, any assignee hereof agrees, with and for the benefit of Lessee, that as long as Lessee shall perform all of its obligations and covenants hereunder, Lessee's quiet enjoyment and use of the Equipment for its intended purposes shall not be disturbed by such assignee or any party lawfully claiming by, through or under such assignee.

31. **EARLY TERMINATION:** Provided Lessee is not in default under the Lease or any other agreement between the Lessor and Lessee, Lessee shall at any time on or after the expiration of five (5) years from the commencement date of the Schedule which Lessee seeks to terminate, in accordance with the provisions set forth below, and upon no less than 180 days prior written notice to Lessor, (hereinafter called "180 Day Notice Period") have the right to terminate the Schedule with respect to the Equipment listed on such Schedule which Equipment becomes economically obsolete or surplus to the Lessee's needs, provided however, no termination of the Schedule shall occur unless and until, during the 180 Day Notice Period (1) Lessee shall: (i) use its best efforts to obtain bids for the cash purchase of such Equipment at its fair market value, such bids to be ON AN AS IS, WHERE IS BASIS, WITHOUT RECOURSE OR WARRANTY TO LESSOR, (ii) certify to Lessor in writing the amount of the highest bid received by Lessee and the name and address of the party submitting such bid (hereinafter called "Lessee's Certificate"), (iii) pay Lessor in cash at the time of delivery of Lessee's Certificate required in (ii) immediately above, the amount, if any by which the applicable Termination Value (as provided below) exceeds the amount of the highest bid as stated in such Lessee's Certificate, and (2) the sale contemplated hereby shall have been consummated as hereinafter set forth.

After Lessor's receipt of the Lessee's Certificate and payment required and provided the party identified as the highest bidder in Lessee's Certificate does not withdraw or modify their bid, Lessor, shall sell such Equipment WITHOUT RECOURSE OR WARRANTY, to the bidder identified in the Lessee's Certificate for cash in the amount of the full purchase price together with any taxes thereon; and thereupon Lessee shall deliver such Equipment to Lessor in accordance with the terms of the Lease. The total purchase price realized at such sale shall be retained by Lessor and in addition Lessee shall pay Lessor in cash upon demand all reasonable expenses incurred by Lessor in selling such Equipment (including all expenses, if any, incurred by Lessor in the transportation of the Equipment to the buyer).

Lessee shall remain liable for all rent payments accruing under the applicable Schedule with respect to such Equipment through the date of Lessor's sale of such Equipment. Lessee thereafter shall be relieved of all obligations to pay rent accruing after the date of such sale with respect to such Equipment and the Schedule shall thereupon terminate with respect to such Equipment except for such obligations which by the terms of the Lease expressly survive the termination. Notwithstanding the foregoing, upon written notice to Lessee within the 180 Day Notice Period Lessor may elect not to sell such Equipment to the highest bidder identified in Lessee's Certificate. If Lessor elects the option stated in this paragraph it shall notify Lessee in writing of such election. In such event Lessor shall require Lessee to deliver such Equipment to the Lessor in accordance with the terms of the Lease. Concurrently, Lessee will pay Lessor in cash the amount, if any, by which the applicable Termination

Value (as provided below) exceeds the amount of the highest bid as stated in Lessee's Certificate. Thereafter, Lessee shall (1) be relieved of all obligations to pay rental payments accruing under the Schedule with respect to such Equipment due and payable after the expiration of the 180 Day Notice Period, (2) remain liable (i) for rent payments due and not paid prior to the expiration of the 180 Day Notice Period under the Schedule with respect to such Equipment, and (ii) for all such obligations which, by the terms of the Lease, expressly survive the termination thereof and except as expressly provided above the Schedule shall terminate with respect to such Equipment.

Notwithstanding the foregoing, Lessee may at its option, upon written notification given to Lessor prior to Lessor making commitment to sell or release the Equipment to a third party, elect to rescind Lessee's notice of termination with respect to such Equipment, whereupon the Schedule shall not terminate with respect to such Equipment pursuant to this Section 31, but shall, provided no default has occurred and is continuing hereunder and Lessor has not by reason thereof terminated the Schedule, continue in full force and effect as though no such notice of termination had been given by Lessee. Failure of Lessee to deliver Lessee's Certificate to Lessor prior to the expiration of the 180 Day Notice Period will be deemed conclusive evidence of Lessee's election to rescind its notice of termination.

Termination Value Payment Date

Termination Value

Oct. 30, 1996	83.914
Nov. 30, 1996	83.395
Dec. 30, 1996	83.871
Jan. 30, 1997	82.342
Feb. 30, 1997	81.806
Mar. 30, 1997	81.264
Apr. 30, 1997	80.717
May. 30, 1997	80.164
Jun. 30, 1997	79.606
Jul. 30, 1997	79.042
Aug. 30, 1997	78.471
Sep. 30, 1997	77.895
Oct. 30, 1997	77.313
Nov. 30, 1997	76.724
Dec. 30, 1997	76.129
Jan. 30, 1998	75.527
Feb. 30, 1998	74.920
Mar. 30, 1998	74.305
Apr. 30, 1998	73.688
May. 30, 1998	73.065
Jun. 30, 1998	72.439
Jul. 30, 1998	71.809
Aug. 30, 1998	71.171
Sep. 30, 1998	70.529
Oct. 30, 1998	69.883
Nov. 30, 1998	69.229
Dec. 30, 1998	68.571
Jan. 30, 1999	67.909

<u>Termination Value Payment Date</u>	<u>Termination Value</u>
Feb. 30, 1999	67.239
Mar. 30, 1999	66.563
Apr. 30, 1999	65.886
May. 30, 1999	65.206
Jun. 30, 1999	64.524
Jul. 30, 1999	63.839
Aug. 30, 1999	63.146
Sep. 30, 1999	62.451
Oct. 30, 1999	61.753
Nov. 30, 1999	61.047
Dec. 30, 1999	60.339
Jan. 30, 2000	59.627
Feb. 30, 2000	58.908
Mar. 30, 2000	58.184
Apr. 30, 2000	57.458
May. 30, 2000	56.730
Jun. 30, 2000	55.999
Jul. 30, 2000	55.265
Aug. 30, 2000	54.523
Sep. 30, 2000	53.778
Oct. 30, 2000	53.030
Nov. 30, 2000	52.274
Dec. 30, 2000	51.515
Jan. 30, 2001	51.753
Feb. 30, 2001	49.983
Mar. 30, 2001	49.207
Apr. 30, 2001	48.445
May. 30, 2001	47.696
Jun. 30, 2001	46.959
Jul. 30, 2001	46.233
Aug. 30, 2001	45.500
Sep. 30, 2001	44.780
Oct. 30, 2001	44.000

32. **TAX INDEMNITY:** Lessee represents that (i) it has not and will not, at any time during the lease term, take any action which will result in the loss or delay by Lessor of any part of its depreciation deductions with respect to the full cost of each item of equipment allowed under Section 167(a) and 168(a) of the Internal Revenue Code as amended (the "Code") as in effect on the date hereof and (ii) During the term of this Lease (including any renewal thereof), the Equipment will remain exclusively in the United States. If because of a breach of the representation in (i) above depreciation deductions are lost, disallowed, eliminated, reduced, recaptured, compromised, delayed or otherwise made unavailable to Lessor (any of the foregoing being hereafter called a "Loss"), Lessee shall pay to Lessor as an indemnity and as additional Rent such amount, or from time to time, such amounts, as shall cause Lessor's after-tax economic yields and cash flows, computed on the same assumptions, including tax rates, as were utilized by Lessor in originally evaluating this

as were utilized by Lessor in originally evaluating this transaction (such economic yields and cash flows hereinafter called the "Net Economic Return") to equal the Net Economic Return that would have been realized by Lessor if such Loss had not occurred. In the event that Lessor suffers a Loss and Lessor and Lessee are unable to agree on the indemnity amount required to restore Lessor's Net Economic Return as foresaid, then Lessor shall hire an independent accounting firm, reasonably acceptable to Lessee, to determine such indemnity amount. Such determination shall be binding on Lessor and Lessee. The cost of such determination shall be for the account of the Lessor unless such determined indemnity amount is within ninety-five percent (95%) of the original indemnity amount calculated by Lessor in which case the fee of such independent accounting firm shall be for the account of Lessee. Lessee shall pay such damages to Lessor only to the extent such Loss is a direct or proximate consequence of a breach of the above paragraph by the Lessee. If any item of income credit or deduction with respect to the Equipment shall not be treated as derived from, or allocable to, sources within the United States for a given taxable year (any such event hereinafter referred to as a "Foreign Loss"), then Lessee shall pay to Lessor as an Indemnity, on the next succeeding Basic Rent date, or in any event within fifteen (15) days after written demand to Lessee by Lessor, such amount as, after deduction of all taxes required to be paid by Lessor in respect of the receipt of such amounts under the laws of any Federal, state or local government or taxing authority of the United States, shall equal the sum of: (I) the excess of (x) the foreign tax credits which Lessor would have been entitled to for such year had no such Foreign Loss occurred over (y) the foreign tax credit to which Lessor was limited as a result of such Foreign Loss and (II) the amount of any interest, penalties or additions to tax payable as a result of such Foreign Loss.

For purposes of this Section 32, the term "Lessor" shall include the affiliated taxpayer group within the meaning of Section 1504 of the Code of which Lessor is a member.

The provisions of this Section 32 shall survive the expiration or earlier termination of this Lease.

33. REPRESENTATIONS AND WARRANTIES OF LESSEE: Lessee hereby represents, warrants and covenants that, with respect to this Lease and any related documents: (a) the execution, delivery and performance thereof by Lessee have been duly authorized by all necessary corporate action; (b) the individual executing such documents is duly authorized to do so; (c) the Lease and any related documents constitute legal, valid and binding agreements of Lessee enforceable in accordance with their respective terms; (d) Lessee need not obtain the consent or approval of any party in order to enter into this Lease or to perform Lessee's obligations hereunder; (e) Lessee is in good standing in the state of its incorporation and is qualified to do business in each state where it is necessary to be so qualified; (f) any and all financial statements or other information with respect to the Lessee supplied to Lessor in connection with this Lease and the transactions contemplated hereby are true and complete.

34. SPECIAL COVENANTS: (a) Lessee will not (i) enter into any transaction of merger or consolidation; (ii) sell, transfer, or otherwise dispose of all or substantially all of its assets; or (iii) permit the sale or transfer of all or substantially all of its capital stock, provided that the foregoing restrictions shall not apply if the survivor or transferee (as the case may be) (i) is incorporated, organized and resident within the United States; (ii) agrees to assume the obligations of the Lessee under this Lease; and (iii) after giving effect to such consolidation, merger, sale or transfer, maintains a minimum tangible net worth (as defined by generally accepted accounting principles) of at least \$125,000,000 and a maximum leverage ration (defined as the ratio of total liabilities to tangible net worth in accordance with generally accepted accounting principles) of 1.25 to 1.0. In the event the foregoing restrictions would apply to any such proposed transaction and Lessee desires nonetheless to effectuate the same, Lessee may terminate this Lease and eliminate said restrictions by paying to Lessor the Stipulated Loss Value for all Equipment, together with all other amounts then due and owing hereunder, including, without limitation, per diem rent from the date of the last regular rental installment to the date of said termination. Upon payment of said amounts to Lessor, Lessor will execute a bill of sale transferring title to the Equipment to Lessee "As is, Where is", without recourse or warranty of any kind, except that Lessor will clear any liens or encumbrances on the title created by Lessor.

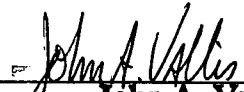
(b) Lessee will furnish to Lessor (i) as soon as available, but in any event not later than 120 days after the end of each fiscal year of Lessee, a consolidated balance sheet of Lessee as at the end of such fiscal year, and consolidated statements of income and changes in financial position of Lessee for such fiscal year, all in reasonable detail, prepared in accordance with generally accepted accounting principles applied on a basis consistently maintained throughout the period involved and audited by certified public accountants acceptable to Lessor; (ii) as soon as available, but in any event not later than 90 days after the end of each of the first three quarterly periods of each fiscal year of Lessee, a consolidated balance sheet of Lessee as at the end of such quarterly period and a consolidated statement of income of Lessee for such quarterly period and for the portion of the fiscal year then ended, all in reasonable detail, prepared in accordance with generally accepted accounting principles applied on a basis consistently maintained throughout the period involved and certified by the chief financial officer of Lessee; and (iii) promptly, such additional financial and other information as Lessor may from time to time reasonably request.

LESSEE HEREBY ACKNOWLEDGES RECEIPT OF AN EXECUTED AND TRUE COPY OF THIS LEASE AND THAT IT IS NON-CANCELLABLE FOR THE ORIGINAL RENTAL TERM EXCEPT AS PROVIDED FOR IN SECTION 31 - "EARLY TERMINATION" AS CONTAINED HEREIN.

IN WITNESS WHEREOF, the Lessor and Lessee have each caused this Lease to be duly executed.

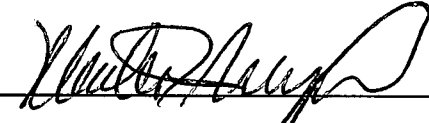
LESSOR:

PITNEY BOWES CREDIT CORPORATION

By: 
 John A. Vallis
Title: **Region Credit Manager**
Date: 10/30/91

LESSEE:

UNION CAMP CORPORATION


By: 
Title: Assistant Treasurer
Date: 10/30/91

UNIONCAMP
7/91

CORPORATE FORM OF ACKNOWLEDGEMENT

State of Connecticut)
)
County of Fairfield) SS:

On this 30th day of October 1991, before me personally appeared John A. Vallis, to me personally known, who being by me duly sworn, says that he is the Region Credit Manager of Pitney Bowes Credit Corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Signature of Notary Public
MARGARET A. MILLER
NOTARY PUBLIC
MY COMMISSION EXPIRES MARCH 31, 1995

My commission expires March 31, 1995

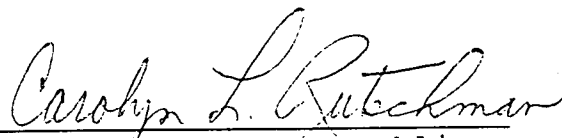
Seal

CORPACKN
3/90

CORPORATE FORM OF ACKNOWLEDGEMENT

State of New Jersey)
) SS:
County of Passaic)

On this 30th day of October 1991, before me personally appeared Martin C. Griegal, to me personally known, who being by me duly sworn, says that he is the Assistant Treasurer of Union Camp Corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Signature of Notary Public

CAROLYN L. RUTCHMAN
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES NOV. 30, 1993

My commission expires _____

Seal

CORPACKN
3/90

LEASE SCHEDULE

Master Equipment

Lease Agreement No.: 0056432

Account Billing No.: 0056432

Master Equipment

Lease Agreement Date: October 30, 1991

Lessee Purchase

Order No.: _____

Outside Commitment

Date: _____

Lease Schedule No.: 801

ITC Retained by Lessor: Yes ___ No ___

Lease Schedule Date: October 30, 1991

Seven (7) year class recovery property

Between PTINEY BOWES CREDIT CORPORATION (Lessor and UNION CAMP CORPORATION
(Lessee.)

1. Equipment Description
Quantity Item

Manufacturer Model & Serial Number

See Schedule "A" attached hereto and made a part hereof.

Original Equipment Cost: \$5,879,613.30

2. Equipment Location

The above Equipment is to be located and delivered to Lessee's premises at
Woodlands Division Highway 601, Eastover, SC 29044.

3. Billing Address

Woodlands Division, P. O. Box B, Eastover, SC 29044.

4. Original Rental Term

One Hundred-twenty (120) Months. Payable Monthly in Advance.

5. Aggregate Rental For Original Rental Term

\$7,231,924.36 Payable as follows:

Rental Payment of \$60,266.04, plus interim rent, plus applicable
Sales/Use Tax.

This first Rental Payment of \$60,266.04, plus applicable Sales/Use
Tax is due on _____.

6. Number and Amount of Advance Rental Payments

Number: 1+0 Amount: \$60,266.04

7. Renewal Option FAIR MARKET VALUE (FMV)

8. Purchase Option 40% of the Original Equipment Cost

9. Minimum Liability Insurance Coverage to be carried by Lessee per section
12(A) of the Master Equipment Lease Agreement is \$10 million per
occurrence.

10. THIS SCHEDULE AND ITS TERMS AND CONDITIONS ARE HEREBY INCORPORATED BY REFERENCE IN THE ABOVE MASTER EQUIPMENT LEASE AGREEMENT. LESSEE PERMITS LESSOR TO INSERT MODEL AND SERIAL NUMBERS OF EQUIPMENT WHEN DETERMINED BY LESSOR. LESSEE REPRESENTS AND WARRANTS THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN ITS BUSINESS OR FINANCIAL CONDITION SINCE THE DATE SET FORTH IN SECTION 2 OF THE LEASE.

Accepted by:

PITNEY BOWES CREDIT CORPORATION (Lessor) UNION CAMP CORPORATION (Lessee)

Name: John A. Vallis

Name: Walter Ziegler

Title: John A. Vallis
Region Credit Manager

Title: Assistant Treasurer

Date: 10/30/91

Date: 10/30/91

UNIONCAMP
7/91

SCHEDULE A
Equipment List

This schedule is attached to and made a part of Lease Schedule 801 dated as of October 30, 1991 to Master Equipment Lease Agreement No. 0056432 dated as of October 30, 1991 between Pitney Bowes Credit Corporation as Lessor and the undersigned Lessee.

Quantity	Equipment Description			
One Hundred (100)	New 100-ton, tree length log railway freight cars manufactured by Bethlehem Steel Corporation. Registration Numbers as follows:			
UCSX2015	UCSX2019	UCSX2001	UCSX2006	
UCSX2029	UCSX2030	UCSX2004	UCSX2013	
UCSX2094	UCSX2095	UCSX2008	UCSX2003	
UCSX2098	UCSX2025	UCSX2016	UCSX2007	
UCSX2097	UCSX2092	UCSX2002	UCSX2014	
UCSX2020	UCSX2028	UCSX2009	UCSX2052	
UCSX2024	UCSX2038	UCSX2051	UCSX2057	
UCSX2034	UCSX2023	UCSX2056	UCSX2036	
UCSX2041	UCSX2033	UCSX2061	UCSX2055	
UCSX2022	UCSX2039	UCSX2032	UCSX2058	
UCSX2059	UCSX2064	UCSX2068	UCSX2074	
UCSX2063	UCSX2067	UCSX2073	UCSX2077	
UCSX2066	UCSX2062	UCSX2076	UCSX2071	
UCSX2072	UCSX2065	UCSX2082	UCSX2075	
UCSX2060	UCSX2069	UCSX2070	UCSX2078	
UCSX2031	UCSX2081	UCSX2010	UCSX2088	
UCSX2080	UCSX2085	UCSX2035	UCSX2091	
UCSX2084	UCSX2079	UCSX2090	UCSX2018	
UCSX2087	UCSX2083	UCSX2096	UCSX2089	
UCSX2037	UCSX2086	UCSX2017	UCSX2093	

Schedule A
Equipment List

UCSX2005	UCSX2026	UCSX2040	UCSX2045
UCSX2021	UCSX2100	UCSX2044	UCSX2048
UCSX2099	UCSX2012	UCSX2047	UCSX2053
UCSX2011	UCSX2027	UCSX2050	UCSX2043
		UCSX2042	UCSX2046
		UCSX2054	UCSX2049

Including all attachments and accessories

This schedule is hereby verified correct and undersigned acknowledges receipt of a copy.

LESSOR:

PITNEY BOWES CREDIT CORPORATION

By: 

Printed Name: John A. Vallis
Region Credit Manager

Title: _____

LESSEE:

UNION CAMP CORPORATION

By: 

Printed Name: Martin C. Griegal

Title: Assistant Treasurer